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Region vies for its share of funding

\$112M secured, capital region looks for more

Sacramento Business Journal - by [Michael Shaw](#) Staff writer

As the rules for awarding federal stimulus dollars are still being written in Washington, regional leaders are drawing up strategies to win them, having already secured an estimated \$112 million for transportation projects in the Sacramento area.

The leader of the state agency that's aiming to present California's best case for stimulus dollars believes Sacramento is well-positioned to draw millions more.

"I expect to see a good work plan from the (Sacramento) region," said Dale Bonner, who heads the **Business, Transportation and Housing Agency**, praising the region's past efforts in planning and attracting grant dollars. And Sacramento Mayor Kevin Johnson, who went to Washington last week to plead the city's case directly to President Obama, claims to have the governor's ear with his idea of moving funds quickly from the state to local governments.

But the real test will come as individual governments and agencies press their cases for a piece of the \$787 billion stimulus package, which beefs up funding for dozens of programs that governments might pursue for housing, education, employment and training, energy and environmental concerns, health care, public safety, social services and more.

"Agencies are working to ensure that economic stimulus funds are spent quickly and appropriately," said Helen Thomson, SACOG board chair and Yolo County supervisor. The agency is one of several players drafting a broad economic recovery work plan aimed at attracting stimulus dollars to the Sacramento region.

The first funds expected to flow from the federal stimulus package include \$112 million for transportation projects. That breaks down as \$32 million for road rehabilitation, another \$40 million for new road projects and \$40 million for public transportation projects such as bus lines and light rail.

The estimate could change as the stimulus picture gets clearer, SACOG spokesman Erik Johnson cautioned. He said the federal government must distribute transportation funds to states by March 10, and states then have four months to appropriate half of the money for road projects and six months to appropriate half of the funds for transit projects.

The SACOG board already has voted to distribute \$32 million to various jurisdictions within the six-county region when it arrives, Johnson said.

Non-transportation projects

Much less clear is how funds will be distributed for non-transportation projects.

“I’m envious of them,” said Michael Faust, senior vice president of public policy at the **Sacramento Metro Chamber**, referring to transportation officials who have a better idea of what is headed Sacramento’s way. There is already a well-established system for moving federal highway funds through the states and into projects, but the mechanism for funding many of the stimulus package’s other initiatives hasn’t been finalized.

Faust is helping to coordinate the regional plan for pursuing stimulus funds, something every region in the state is undertaking.

The projects that the chamber and others have suggested are strong candidates for stimulus funds include:

- Train track relocation at the downtown railyard in advance of creating an intermodal transportation hub there, a project that needs \$47 million in federal funding and would create an estimated 1,200 jobs over the one-year project.
- Levee improvements in Natomas and West Sacramento that are seeking a total of \$113 million in federal funds.
- Air quality and climate change measures such as incentives for residents to replace open fireplaces and wood-burning stoves; a \$110 million plan to replace all of Sacramento Municipal Utility District’s 600,000 meters to provide for better energy conservation.
- Various sewer improvements, deep-water ship channeling at the Port of West Sacramento, water treatment and pumping stations, terminal modernization and sewer line connections at **Sacramento International Airport**, and university and community college upgrades.

“We made a broad call for projects because we don’t know the criteria,” Faust said. “There is no clear path for a lot of the funding channels.”

State aims for June 1

Faust said he expects leaders to come together to develop a regional economic recovery work plan and present it to the Business, Transportation and Housing Agency, which has developed suggested guidelines for creating those plans.

“As a region, we are leaps and bounds ahead of others,” Faust said. “We’ve got a good track record.”

The plans aren’t mandatory but most communities are participating, Bonner said.

He outlined three broad areas of the stimulus plan: payments to entitlement programs such as Medicare and unemployment insurance, money for large infrastructure projects, and tax incentives. The focus for many communities will be on obtaining infrastructure money.

“Our goal is by June 1 to have in place an economic recovery plan for every part of the state,” Bonner said.

He expected Sacramento's history of efficient regional planning to succeed.

"There has been phenomenal work on the Blueprint," he said, referring to SACOG's groundbreaking effort to tie growth planning to transportation and air quality issues. "And the region has been very successful attracting state infrastructure bonds. There is a very good network of government agencies and that's what I expect to see."

Last year, Sacramento was awarded the largest amount of any region under bond-funded initiatives to help build large, transit-oriented projects along the region's riverfronts such as The Railyards.

Bonner said some cities and agencies might be able to apply directly for grants under the stimulus package. Johnson has been advocating for direct payment.

"The question is can we get dollars to flow directly to cities?" Johnson said this week. "If not, it's important we get it (from the state) to the cities immediately. ... I talked to Gov. Schwarzenegger and he agrees with that, so we have agreement at the top. We need to make that a reality."

Some portions of the stimulus package, such as the \$650 million that will be doled out nationally for the analog-to-digital television conversion, will have little direct benefit for Sacramento. But other portions could be a boon locally.

The package provides \$1 billion nationally for hiring and rehiring career law enforcement officials, a crucial issue for Sacramento, which is looking at layoffs for some of its police force.

"On the more broad stimulus plan, we just don't know yet what is going to be out there for us to compete for," said John Dangberg, assistant city manager, who is looking into what the city could pursue.

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